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April 22, 1999

COFFICE OF THE EXECUTIVE SECRETARY

Mr. K. David Waddell Executive Secretary Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, TN 37243-0505

> IN RE: Crocket Telephone Company, Inc.; Peoples Telephone Telephone Company, Inc.; West Tennessee Telephone Company, Inc. (comprising the "TEC Companies") IntraLATA Dialing Parity Implementation Plan

Dear Mr. Waddell:

I am enclosing an original and thirteen (13) copies of the IntraLATA Toll Dialing Parity Implementation Plan of our clients Crocket Telephone Company, Inc.; Peoples Telephone Telephone Company, Inc.; West Tennessee Telephone Company, Inc. (comprising the "TEC Companies"). These Plans are being filed as directed by the Federal Communication Commission's Order of March 23, 1999, in Docket No. 96-98. We are filing the Plans for approval by the Tennessee Regulatory Authority ("TRA").

Also enclosed please find original and thirteen copies of a Joint Petition for Modification for the three TEC Companies to be filed in this matter. We request that you call this to the attention of the Directors at your earliest convenience. Also enclosed is our check in the amount of \$25.00 made payable to the TRA for filing fee. If you have any questions, please do not hesitate to call me.

With kindest regards, I remain

Very truly yours

T. G. Pappas

TGP/br#2016988

Enclosures

cc: Mr. Joe Werner

Richard Collier, Esq.

Mr. K. David Waddell April 22, 1999 Page 2

Ms. Lera Roark

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Mr. Michale McCaw

Ms. Kathy Pounds

Mr. Tony Key

INTRALATA TOLL DIALING PARITY PLAN WEST TENNESSEE TELEPHONE COMPANY, INC.

The following *IntraLATA Toll Dialing Parity Plan* has been developed consistent with provisions of the Federal Communications Commission's (FCC's) Second Report and Order, FCC 96-333, adopted August 8, 1996. This plan is being submitted to the Tennessee Regulatory Authority (TRA) for its information and approval. West Tennessee Telephone Company, Inc., all exchanges, will associate with LATA 468 for the purposes of providing toll dialing parity as it currently does for its provision of interLATA equal access.

1. Toll Dialing Parity Implementation Schedule

Pending TRA approval as outlined above, West Tennessee Telephone Company, Inc. (hereinafter referred to as "Company") will implement intraLATA 1+ equal access, as set forth below in Section 6, beginning 30 days after the TRA approval date. (Implementation start date)

2. <u>IntraLATA Presubscription Methodology</u>

The Full 2-PIC (Presubscribed Interexchange Carrier) option shall be the methodology used to provide customers with a full range of choices in selecting their intraLATA 1+/0+ toll provider. Under this option, the customer may select a toll/interexchange carrier for its intrastate intraLATA calling and a separate toll/interexchange carrier for its interLATA calls.

3. Calls Subject to IntraLATA Toll Dialing Parity

Intrastate intraLATA 1+ and 0+ toll calls originating in an exchange shall be subject to the intraLATA toll dialing parity provisions.

4. <u>Customers Eligible For IntraLATA Toll Dialing Parity</u>

If technically feasible, all end user customers subscribing to the Company's local exchange service offerings shall be eligible for intraLATA dialing parity.

5. <u>IntraLATA Toll Carrier At Outset</u>

Until a customer affirmatively chooses another intrastate intraLATA toll/interexchange carrier, intraLATA toll calls, which are not prefaced with 10XXX/101XXXX, shall be carried by the Company's designated toll/interexchange carrier. There will be no balloting of customers.

6. <u>Implementation Schedule</u>

The Company will implement toll dialing parity, subject to TRA's approval of this intraLATA Toll Dialing Parity Plan, as outlined below:

The steps are as follows:

a. Provide notification, a minimum of two months prior to the conversion to intraLATA 1+ toll dialing parity, to all those toll/interexchange carriers which presently offer Feature Group D service in the applicable end offices.

¹ Concurrently with the filing of this Plan, West Tennessee Telephone Company, Inc. is filing with the Tennessee Regulatory Authority ("TRA") a Petition for Modification ("Petition") of the time frames for implementing intralata toll dialing parity that were prescribed by the Federal Communications Commission ("FCC") as well as the FCC's "Default" carrier rules. The September 22, 1999 date noted herein is based on the assumption that the TRA will approve West Tennessee's Petition for the reasons stated therein.

- b. Notify subscribers of the availability of intraLATA 1+ toll dialing parity not less than thirty (30) days prior to conversion. (Implementation end date) The generic customer notification is attached.
- c. Initially assign all subscribers to the designated toll/interexchange carrier, subject to receipt of a request to the contrary from a customer, or a "Letter of Agency" (LOA) from an authorized toll/interexchange carrier. An IXC may not forward LOAs to the Company earlier than thirty (30) days prior to the customer conversion date. Letter of Agency contacts shall only be honored from those toll/interexchange carriers first executing an LOA Agreement, which, among other things, acknowledges the toll/interexchange carrier's obligation to follow federally prescribed rules (including, without limitation, "anti-slamming" rules, as described in Section 9 below).
- d. Customers that are provided local service subsequent to the implementation of intraLATA 1+ toll dialing parity, will be able to select an intraLATA toll/interexchange carrier using the same procedure currently followed to select an interLATA interexchange carrier.

7. Cost Recovery

Dialing parity costs include costs related to customer education, incremental presubscription costs—including the costs incurred during the 90 days immediately following the date of implementation, in which customers may make one PIC change without charge—and the initial incremental expenditures for hardware and software related directly to the provision of dialing parity, which would not be required to upgrade the switching capabilities of the office involved absent the provision of dialing parity. Additionally, related administrative costs will be included.

The Company shall file, a discrete "Dialing Parity Cost Recovery" (DPCR) tariff rate element with the TRA, which reflects the estimated costs as outlined above, a proposed cost recovery period of one year (consistent with FCC DA-1541, adopted September 28, 1988, and applicable to all NECA pool members), and estimated demand units based upon the total 1998 calendar year originating and terminating Intrastate access minutes. The DPCR rate element shall be assessed upon all intraLATA toll/interexchange carriers. Cost and demand data in support of the rate element will be submitted to the TRA at the time of the filing. A true up of cost recovery is contemplated at the end of the one-year period, and any recovery deficiency or overage will be adjusted in a bill to toll providers in proportion to their relative share of cost recovery for the period.

8. Charges for Selection/Assignment of Carrier & Unauthorized PIC Change

The Company shall not impose any charge on the customer for the customer's <u>initial</u> selection of a carrier other than the designated toll/interexchange carrier, to carry the customer's intraLATA toll calls. This shall also apply in the 90-day period immediately following the implementation date. Charges will apply after the customer's initial selection or after the 90-day period immediately following the implementation end date.

Charges imposed upon a customer for changing the customer's Presubscribed carrier for its intraLATA toll calls, and charges applicable to toll providers related to Unauthorized PIC Changes, are to be those set forth in the Company's tariff on file with the TRA, and in effect at the time. (It is contemplated that such PIC charge will be \$5.00 for the intraLATA PIC change, and an Unauthorized PIC Change charge of \$35.65, applicable to both residence and business lines, as provided for in NECA Tariff FCC No. 5.) It should be understood that the Unauthorized PIC Change Charge is intended as an assessment to toll providers, not to customers.

9. Anti-Slamming

IntraLATA toll dialing parity shall be subject to the same anti-slamming and dispute resolution procedures that the FCC has set forth for interLATA presubscription. IntraLATA toll dialing parity shall also be subject to the provisions of Section 258 of the Federal Communications Act of 1934, as provided for by the Telecommunications Act of 1996, and any regulations adopted by the FCC or the TRA addressing unauthorized changes in customer carrier selections.

Respectfully submitted,

West Tennessee Telephone Company, Inc.

By:

Lera Roark

West Tennessee Telephone Company, Inc.

1309 Louisville Avenue

Monroe LA 71201

Tel. (318) 322-0015

Fax (318) 323-2164

IMPORTANT NOTICE ABOUT INTRALATA TOLL SERVICE

On September 22, 1999, you will be able to choose your provider of "1+" local toll service. Currently, intraLATA toll calls dialed as "1+ ten digit" calls are handled by BellSouth. This change allows you to remain with BellSouth or select a different long distance carrier for intraLATA toll calls.

If you would like to select a different carrier for your "1+" intraLATA toll service, you should contact that carrier. No action is necessary to keep BellSouth as your provider for intraLATA toll calls.

As approved by the Tennessee Regulatory Authority, from September 22 1999, until December 21, 1999, you will be able to change your local toll carrier ONE time without charge. There will be a charge for each subsequent change you make in intraLATA toll carriers.

INTRALATA TOLL DIALING PARITY PLAN CROCKETT TELEPHONE COMPANY, INC.

The following *IntraLATA Toll Dialing Parity Plan* has been developed consistent with provisions of the Federal Communications Commission's (FCC's) Second Report and Order, FCC 96-333, adopted August 8, 1996. This plan is being submitted to the Tennessee Regulatory Authority (TRA) for its information and approval.¹ Crockett Telephone Company, Inc., all exchanges, will associate with LATA 468 for the purposes of providing toll dialing parity as it currently does for its provision of interLATA equal access.

1. Toll Dialing Parity Implementation Schedule

Pending TRA approval as outlined above, Crockett Telephone Company, Inc. (hereinafter referred to as "Company") will implement intraLATA 1+ equal access, as set forth below in Section 6, beginning 30 days after the TRA approval date. (Implementation start date)

2. IntraLATA Presubscription Methodology

The Full 2-PIC (Presubscribed Interexchange Carrier) option shall be the methodology used to provide customers with a full range of choices in selecting their intraLATA 1+/0+ toll provider. Under this option, the customer may select a toll/interexchange carrier for its intrastate intraLATA calling and a separate toll/interexchange carrier for its interLATA calls.

3. Calls Subject to IntraLATA Toll Dialing Parity

Intrastate intraLATA 1+ and 0+ toll calls originating in an exchange shall be subject to the intraLATA toll dialing parity provisions.

4. Customers Eligible For IntraLATA Toll Dialing Parity

If technically feasible, all end user customers subscribing to the Company's local exchange service offerings shall be eligible for intraLATA dialing parity.

5. IntraLATA Toll Carrier At Outset

Until a customer affirmatively chooses another intrastate intraLATA toll/interexchange carrier, intraLATA toll calls, which are not prefaced with 10XXX/101XXXX, shall be carried by the Company's designated toll/interexchange carrier. There will be no balloting of customers.

6. Implementation Schedule

The Company will implement toll dialing parity, subject to TRA's approval of this intraLATA Toll Dialing Parity Plan, as outlined below:

The steps are as follows:

a. Provide notification, a minimum of two months prior to the conversion to intraLATA 1+ toll dialing parity, to all those toll/interexchange carriers which presently offer Feature Group D service in the applicable end offices.

¹ Concurrently with the filing of this Plan, Crockett Telephone Company, Inc. is filing with the Tennessee Regulatory Authority ("TRA") a Petition for Modification ("Petition") of the time frames for implementing intralata toll dialing parity that were prescribed by the Federal Communications Commission ("FCC") as well as the FCC's "Default" carrier rules. The September 22, 1999 date noted herein is based on the assumption that the TRA will approve Crockett's Petition for the reasons stated therein.

- b. Notify subscribers of the availability of intraLATA 1+ toll dialing parity not less than thirty (30) days prior to conversion. (Implementation end date) The generic customer notification is attached.
- c. Initially assign all subscribers to the designated toll/interexchange carrier, subject to receipt of a request to the contrary from a customer, or a "Letter of Agency" (LOA) from an authorized toll/interexchange carrier. An IXC may not forward LOAs to the Company earlier than thirty (30) days prior to the customer conversion date. Letter of Agency contacts shall only be honored from those toll/interexchange carriers first executing an LOA Agreement, which, among other things, acknowledges the toll/interexchange carrier's obligation to follow federally prescribed rules (including, without limitation, "anti-slamming" rules, as described in Section 9 below).
- d. Customers that are provided local service subsequent to the implementation of intraLATA 1+ toll dialing parity, will be able to select an intraLATA toll/interexchange carrier using the same procedure currently followed to select an interLATA interexchange carrier.

7. Cost Recovery

Dialing parity costs include costs related to customer education, incremental presubscription costs—including the costs incurred during the 90 days immediately following the date of implementation, in which customers may make one PIC change without charge—and the initial incremental expenditures for hardware and software related directly to the provision of dialing parity, which would not be required to upgrade the switching capabilities of the office involved absent the provision of dialing parity. Additionally, related administrative costs will be included.

The Company shall file, a discrete "Dialing Parity Cost Recovery" (DPCR) tariff rate element with the TRA, which reflects the estimated costs as outlined above, a proposed cost recovery period of one year (consistent with FCC DA-1541, adopted September 28, 1988, and applicable to all NECA pool members), and estimated demand units based upon the total 1998 calendar year originating and terminating Intrastate access minutes. The DPCR rate element shall be assessed upon all intraLATA toll/interexchange carriers. Cost and demand data in support of the rate element will be submitted to the TRA at the time of the filing. A true up of cost recovery is contemplated at the end of the one-year period, and any recovery deficiency or overage will be adjusted in a bill to toll providers in proportion to their relative share of cost recovery for the period.

8. Charges for Selection/Assignment of Carrier & Unauthorized PIC Change

The Company shall not impose any charge on the customer for the customer's <u>initial</u> selection of a carrier other than the designated toll/interexchange carrier, to carry the customer's intraLATA toll calls. This shall also apply in the 90-day period immediately following the implementation date. Charges will apply after the customer's initial selection or after the 90-day period immediately following the implementation end date.

Charges imposed upon a customer for changing the customer's Presubscribed carrier for its intraLATA toll calls, and charges applicable to toll providers related to Unauthorized PIC Changes, are to be those set forth in the Company's tariff on file with the TRA, and in effect at the time. (It is contemplated that such PIC charge will be \$5.00 for the intraLATA PIC change, and an Unauthorized PIC Change charge of \$35.65, applicable to both residence and business lines, as provided for in NECA Tariff FCC No. 5.) It should be understood that the Unauthorized PIC Change Charge is intended as an assessment to toll providers, not to customers.

9. Anti-Slamming

IntraLATA toll dialing parity shall be subject to the same anti-slamming and dispute resolution procedures that the FCC has set forth for interLATA presubscription. IntraLATA toll dialing parity shall also be subject to the provisions of Section 258 of the Federal Communications Act of 1934, as provided for by the Telecommunications Act of 1996, and any regulations adopted by the FCC or the TRA addressing unauthorized changes in customer carrier selections.

Respectfully submitted,

Crockett Telephone Company, Inc.

By:

Crockett Telephone Company, Inc.

1309 Louisville Avenue

Monroe LA 71201

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Fax (318) 323-2164

IMPORTANT NOTICE ABOUT INTRALATA TOLL SERVICE

On September 22, 1999, you will be able to choose your provider of "1+" local toll service. Currently, intraLATA toll calls dialed as "1+ ten digit" calls are handled by BellSouth. This change allows you to remain with BellSouth or select a different long distance carrier for intraLATA toll calls.

If you would like to select a different carrier for your "1+" intraLATA toll service, you should contact that carrier. No action is necessary to keep BellSouth as your provider for intraLATA toll calls.

As approved by the Tennessee Regulatory Authority, from September 22 1999, until December 21, 1999, you will be able to change your local toll carrier ONE time without charge. There will be a charge for each subsequent change you make in intraLATA toll carriers.

INTRALATA TOLL DIALING PARITY PLAN PEOPLES TELEPHONE COMPANY

The following *IntraLATA Toll Dialing Parity Plan* has been developed consistent with provisions of the Federal Communications Commission's (FCC's) Second Report and Order, FCC 96-333, adopted August 8, 1996. This plan is being submitted to the Tennessee Regulatory Authority (TRA) for its information and approval. Peoples Telephone Company, Erin exchange 931-289 and Tennessee Ridge exchange 931-721 will associate with LATA 470; and Henry exchange 901-243 will associate with LATA 468 for the purposes of providing toll dialing parity as it currently does for its provision of interLATA equal access.

1. Toll Dialing Parity Implementation Schedule

Pending TRA approval as outlined above, Peoples Telephone Company, (hereinafter referred to as "Company") will implement intraLATA 1+ equal access, as set forth below in Section 6, beginning 30 days after the TRA approval date. (Implementation start date)

2. <u>IntraLATA Presubscription Methodology</u>

The Full 2-PIC (Presubscribed Interexchange Carrier) option shall be the methodology used to provide customers with a full range of choices in selecting their intraLATA 1+/0+ toll provider. Under this option, the customer may select a toll/interexchange carrier for its intrastate intraLATA calling and a separate toll/interexchange carrier for its interLATA calls.

3. Calls Subject to IntraLATA Toll Dialing Parity

Intrastate intraLATA 1+ and 0+ toll calls originating in an exchange shall be subject to the intraLATA toll dialing parity provisions.

4. Customers Eligible For IntraLATA Toll Dialing Parity

If technically feasible, all end user customers subscribing to the Company's local exchange service offerings shall be eligible for intraLATA dialing parity.

5. <u>IntraLATA Toll Carrier At Outset</u>

Until a customer affirmatively chooses another intrastate intraLATA toll/interexchange carrier, intraLATA toll calls, which are not prefaced with 10XXX/101XXXX, shall be carried by the Company's designated toll/interexchange carrier. There will be no balloting of customers.

6. <u>Implementation Schedule</u>

The Company will implement toll dialing parity, subject to TRA's approval of this intraLATA Toll Dialing Parity Plan, as outlined below:

The steps are as follows:

a. Provide notification, a minimum of two months prior to the conversion to intraLATA 1+ toll dialing parity, to all those toll/interexchange carriers which presently offer Feature Group D service in the applicable end offices.

¹ Concurrently with the filing of this Plan, Peoples Telephone Company is filing with the Tennessee Regulatory Authority ("TRA") a Petition for Modification ("Petition") of the time frames for implementing intralata toll dialing parity that were prescribed by the Federal Communications Commission ("FCC") as well as the FCC's "Default" carrier rules. The September 22, 1999 date noted herein is based on the assumption that the TRA will approve Peoples' Petition for the reasons stated therein.

- b. Notify subscribers of the availability of intraLATA 1+ toll dialing parity not less than thirty (30) days prior to conversion. (Implementation end date) The generic customer notification is attached.
- c. Initially assign all subscribers to the designated toll/interexchange carrier, subject to receipt of a request to the contrary from a customer, or a "Letter of Agency" (LOA) from an authorized toll/interexchange carrier. An IXC may not forward LOAs to the Company earlier than thirty (30) days prior to the customer conversion date. Letter of Agency contacts shall only be honored from those toll/interexchange carriers first executing an LOA Agreement, which, among other things, acknowledges the toll/interexchange carrier's obligation to follow federally prescribed rules (including, without limitation, "anti-slamming" rules, as described in Section 9 below).
- d. Customers that are provided local service subsequent to the implementation of intraLATA 1+ toll dialing parity, will be able to select an intraLATA toll/interexchange carrier using the same procedure currently followed to select an interLATA interexchange carrier.

7. Cost Recovery

Dialing parity costs include costs related to customer education, incremental presubscription costs—including the costs incurred during the 90 days immediately following the date of implementation, in which customers may make one PIC change without charge—and the initial incremental expenditures for hardware and software related directly to the provision of dialing parity, which would not be required to upgrade the switching capabilities of the office involved absent the provision of dialing parity. Additionally, related administrative costs will be included.

The Company shall file, a discrete "Dialing Parity Cost Recovery" (DPCR) tariff rate element with the TRA, which reflects the estimated costs as outlined above, a proposed cost recovery period of one year (consistent with FCC DA-1541, adopted September 28, 1988, and applicable to all NECA pool members), and estimated demand units based upon the total 1998 calendar year originating and terminating Intrastate access minutes. The DPCR rate element shall be assessed upon all intraLATA toll/interexchange carriers. Cost and demand data in support of the rate element will be submitted to the TRA at the time of the filing. A true up of cost recovery is contemplated at the end of the one-year period, and any recovery deficiency or overage will be adjusted in a bill to toll providers in proportion to their relative share of cost recovery for the period.

8. Charges for Selection/Assignment of Carrier & Unauthorized PIC Change

The Company shall not impose any charge on the customer for the customer's <u>initial</u> selection of a carrier other than the designated toll/interexchange carrier, to carry the customer's intraLATA toll calls. This shall also apply in the 90-day period immediately following the implementation date. Charges will apply after the customer's initial selection or after the 90-day period immediately following the implementation end date.

Charges imposed upon a customer for changing the customer's Presubscribed carrier for its intraLATA toll calls, and charges applicable to toll providers related to Unauthorized PIC Changes, are to be those set forth in the Company's tariff on file with the TRA, and in effect at the time. (It is contemplated that such PIC charge will be \$5.00 for the intraLATA PIC change, and an Unauthorized PIC Change charge of \$35.65, applicable to both residence and business lines, as provided for in NECA Tariff FCC No. 5.) It should be understood that the Unauthorized PIC Change Charge is intended as an assessment to toll providers, not to customers.

9. Anti-Slamming

IntraLATA toll dialing parity shall be subject to the same anti-slamming and dispute resolution procedures that the FCC has set forth for interLATA presubscription. IntraLATA toll dialing parity shall also be subject to the provisions of Section 258 of the Federal Communications Act of 1934, as provided for by the Telecommunications Act of 1996, and any regulations adopted by the FCC or the TRA addressing unauthorized changes in customer carrier selections.

Respectfully submitted,

Peoples Telephone Company

By:

Peoples Telephone Company

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IMPORTANT NOTICE ABOUT INTRALATA TOLL SERVICE

On September 22, 1999, you will be able to choose your provider of "1+" local toll service. Currently, intraLATA toll calls dialed as "1+ ten digit" calls are handled by BellSouth. This change allows you to remain with BellSouth or select a different long distance carrier for intraLATA toll calls.

If you would like to select a different carrier for your "1+" intraLATA toll service, you should contact that carrier. No action is necessary to keep BellSouth as your provider for intraLATA toll calls.

As approved by the Tennessee Regulatory Authority, from September 22 1999, until December 21, 1999, you will be able to change your local toll carrier ONE time without charge. There will be a charge for each subsequent change you make in intraLATA toll carriers.

BEFORE THE TENNESSEE REGULATORY AUTHORITY NASHVILLE, TENNESSEE

IN RE:)
REQUEST OF PEOPLES TELEPHONE COMPANY,)
CROCKETT TELEPHONE COMPANY, INC., AND	j
WEST TENNESSEE TELEPHONE COMPANY, INC.)
FOR A MODIFICATION OF THE)
REQUIREMENTS TO PROVIDE)
INTRALATA TOLL DIALING PARITY)
EFFECTIVE SEPTEMBER 22, 1999)

Petition for Modification

The affiliated companies, Peoples Telephone Company ("Peoples"), Crockett Telephone Company, Inc. ("Crockett"), and West Tennessee Telephone Company, Inc. ("West Tennessee") (the "Companies" or the "Company"), individually and collectively, by counsel and pursuant to Section 251(f)(2) of the Communications Act of 1934, as amended (the "Act")(47 U.S.C. § 251(f)(2)), hereby request the Tennessee Regulatory Authority ("TRA") to grant to the Companies a modification of certain of the requirements established by the Federal Communications Commission ("FCC")¹ with respect to the Companies' obligations to provide

The requirements with respect to the offering of intraLATA toll dialing parity were established by the FCC in its Second Report and Order in CC Docket No. 96-98. See In the Matters of Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, et. al, Second Report and Order and Memorandum Opinion and Order, CC Docket No. 96-98, 11 FCC Rcd 19392 (1996) ("Second Report and Order"). In light of the United States Supreme Court decision addressing, inter alia, aspects of the FCC's Second Report and Order, the FCC issued a revised schedule for implementing intraLATA toll dialing parity. See In the Matters of Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, et. al, Order, CC Docket No. 96-98, FCC 99-54, released March 23, 1999 ("Dialing Parity Order"). As discussed herein, the modifications that are being requested arise from the decisions issued in both the Second Report and Order and the Dialing Parity Order.

intraLATA toll dialing parity.² By this Petition, the Companies are only seeking a brief extension of time to implement by September 22, 1999, their respective plans to provide intraLATA toll dialing parity in order to accommodate the coordination of carrier access billing, rating, and other billing systems, as well as a modification of the FCC's failure to permit an intraLATA default carrier mechanism.

Specifically, the Companies request a modification of the FCC's requirement: (1) that implementation of the Companies' intraLATA toll dialing parity plan must occur within 30 days of the TRA's approval; and (2) prohibiting the Companies from allowing a "default" carrier. A grant of this Petition will permit the Companies to proceed to offer intraLATA toll dialing parity no later than September 22, 1999. For the reasons stated herein, the public interest, convenience and necessity would be served by the TRA granting this request. Finally, the Companies also request that the TRA, consistent with 47 U.S.C. § 251(f)(2), suspend the

The Companies use the term "intraLATA toll dialing parity" to refer to the use of software (generally referred to as "2-PIC" software) that permits customers, who wish, to select a separate, preferred toll provider for their intraLATA toll calls from that provider carrying the customer's interLATA toll calls. See 47 C.F.R. § 51.209(b); see also Second Report and Order, 11 FCC Rcd at 19419 (paras. 49-50).

The Companies' IntraLATA Toll Dialing Implementation Plans ("Plan"), filed concurrently herewith, are intended to comply with all applicable requirements of the FCC's rules except for the date upon which intraLATA toll dialing parity must be offered (see Dialing Parity Order at para. 7) and the FCC's requirements that customers not affirmatively selecting an intraLATA toll provider may not be "defaulted" to their existing intraLATA toll carrier. See 47 C.F.R. § 51.209(c); see also Second Report and Order, 11 FCC Rcd at 19415-19416 (para. 41). With respect to this latter requirement, the Companies' proposed plans would allow existing customers that do not affirmatively select an intraLATA toll provider to be automatically assigned or "defaulted" to BellSouth Telecommunications, Inc., the current "1+" intraLATA toll provider.

Dialing Parity Order at para. 6, n. 22.

Companies' requirement to provide intraLATA toll dialing parity until the TRA acts upon this Petition.

I. Background

Peoples is headquartered in Erin, Tennessee and serves approximately 5,000 access lines in Tennessee; Crockett is headquartered in Friendship, Tennessee and serves approximately 4,600 access lines in Tennessee; and West Tennessee is headquartered in Bradford, Tennessee and serves approximately 5,000 access lines in Tennessee. The Companies provide local exchange services to their respective customers and intrastate access services to interexchange carriers ("IXCs") in order for the Companies' customers to complete intrastate toll calls. The Companies are capable of providing 2-PIC intraLATA toll dialing parity but have not yet completed the necessary modifications to their carrier access billing, rating, and other billing systems. The Companies were aware of the FCC's requirement to provide intraLATA toll dialing parity and, accordingly, ensured that this functionality would be part of the switch software. However, due to coordination issues concerning the Companies' systems noted above, the Companies have not yet completed the necessary changes required to deploy intraLATA toll dialing parity in a technically feasible manner.

II. The TRA Possesses the Necessary Jurisdiction Pursuant to Section 251(f)(2) of the Act to Grant the Relief Sought

The Act provides for a series of increasing interconnection obligations between and among telecommunications carriers. After establishing an obligation of all telecommunications carriers to interconnect with each other, 47 U.S.C. § 251(a), the Act then establishes a set of interconnection obligation upon all Local Exchange Carriers ("LECs"), including the obligation to provide intraLATA toll dialing parity. See 47 U.S.C. § 251(b) and 47 U.S.C. § 251(b)(3).

After establishing these Section 251(b) requirements, the Act then provides that a LEC "with fewer than 2 percent of the Nation's subscriber lines installed in the aggregate nationwide" may seek a suspension and modification of these Section 251(b) requirements by petitioning a State Commission. See generally 47 U.S.C. § 251(f)(2). Once a petition is filed, the State Commission must rule on such request within 180 days of its filing, and, moreover, "[p]ending such action, the State commission may suspend enforcement of the requirement or requirements to which the petition applies with respect to the petitioning carrier or carriers." 47 U.S.C. § 251(f)(2).

In adopting the requirement to provide intraLATA toll dialing parity, the FCC relied, in part, upon the authority granted under Section 251(b)(3) of the Act. Moreover, in making this finding, the FCC embraced the procedure noted above with respect to Section 251(f)(2) petitions. Specifically, the FCC found that "special implementation schedules" for smaller LECs, such as the Companies, was unnecessary "because these LECs may petition their state commission, pursuant to Section 251(f)(2), for a suspension or modification of the application of the dialing

⁵ The State Commission must grant a petition for a suspension or modification to the extent that, and for such duration as, the State commission determines that such suspension or modification --

⁽A) is necessary--

⁽i) to avoid a significant adverse economic impact on users of telecommunications services generally;

⁽ii) to avoid imposing a requirement that is unduly economically burdensome; or (iii) to avoid imposing a requirement that is technically infeasible; and

⁽B) is consistent with the public interest, convenience, and necessity.

Id. The TRA's authority with respect to reviewing issues related to "additional obligations of incumbent local exchange carriers" described in Section 251(c) of the Act (47 U.S.C. § 251(c)) is not at issue here. See 47 U.S.C. § 251(f)(1).

parity requirements." Second Report and Order, 11 FCC Rcd at 19425 (para. 61) citing 47 U.S.C. § 251(f)(2). The Dialing Parity Order does not alter this conclusion. See also 47 C.F.R. § 51.403.

Accordingly, under extant FCC decisions interpreting the plain wording and procedures of the Act, the TRA is vested with the authority to grant the relief requested herein. For the reasons set forth below, the requested modification of the FCC's intraLATA toll dialing parity rules clearly meet the requirements of Section 251(f)(2) and should be granted.

III. Modification of the IntraLATA Toll Dialing Parity Schedule is Warranted

The Companies submit that grant of its request to be permitted until September 22, 1999 to comply with the requirements to provide intraLATA toll dialing parity is appropriate and serves the public interest, convenience, and necessity. In satisfaction of the Act's criterion, the Companies provide the following.⁶ First, the Companies' requested modification is necessary to avoid imposing a requirement on the Companies that is unduly economically burdensome and technically infeasible. See 47 U.S.C. § 251()(f)(2)(ii) and (iii).⁷ Although the Companies have

Section 251(f)(2) requires that only one of the elements of Section 251(f)(2)(A) be met along with the requirement that such action is consistent with the public interest, convenience and necessity. Compare 47 U.S.C. §§ 251(f)(2)(A) and (B).

Based on a recent report issued by the FCC's Common Carrier Bureau, there were approximately 158.7 million access lines presubscribed to IXCs in the United States. See Long Distance Market Share Fourth Quarter 1998, FCC Common Carrier Bureau, Industry Analysis Division, March 1999 at 4. The Companies fully anticipate that this number has increased since December, 1996 (the time period used by the FCC in its report). 2% of these lines, however, is approximately 3,174,000. The Companies collectively operate approximately 14,456 access lines in Tennessee, and, in conjunction with their affiliates in Alabama (operating approximately 6,800 access lines) and Mississippi (operating approximately 12,300 access lines), operate approximately, 33,500 total access lines. The Companies' total access line count (including those of their affiliates) clearly is below the 2% threshold established for companies to be eligible to seek relief pursuant to Section 251(f)(2).

251(f)(2)(A)(iii).

deployed the specific software necessary for the provision of the 2-PIC functionality, the deployment of the software alone is not all that is required to offer intraLATA toll dialing parity. Rather, even with the software in place, accelerating intraLATA toll dialing parity would not provide sufficient time for the Companies to coordinate network provisioning issues with the affected IXCs (the proponents of intraLATA toll dialing parity), and the coordination and implementation of appropriate carrier access and other billing systems. This testing and coordination is necessary, in the Companies' view, in order to ensure a seamless transition to the 2-PIC environment. Accordingly, the Companies respectfully submits that it is technically infeasible for it to comply with the intraLATA toll dialing parity obligations prior to September 22, 1999, the date that its carrier access billing process will be completed. See 47 U.S.C. §

Second, requiring the Companies to provide 2-PIC intraLATA toll dialing parity prior to completing their billing process would be unduly economically burdensome for the Companies because it would place at risk the Companies' appropriate recovery of costs in providing the functionality. Allowing the Companies to continue their current course, however, will enable them to deploy the 2-PIC functionality in the most economical fashion, which, in turn, will

Section 51.405(d) of the FCC's Rules, 47 C.F.R. § 51.405(d), which for purposes of this discussion is assumed to be in effect, provides that a LEC must offer evidence that the application of Section 251(b) or Section 251(c) of the Act would be likely to cause undue economic burden beyond the economic burden that is typically associated with efficient competitive entry. The Companies submit that it would be unreasonable to assume that a competitive LEC would deploy 2-PIC intraLATA toll dialing parity prior to completing its carrier access billing process. This is particularly true where, as here, a brief delay in providing a service would avoid significant billing problems in the first place. Therefore, strict application of the dialing parity implementation schedule in this instance would cause the Companies undue economic burden beyond that which is typically associated with efficient competitive entry. Accordingly, the Companies have met the required burden of proof set forth in Section 51.405(d) of the FCC's Rules.

benefit their respective subscribers. Accordingly, a grant of this Petition is required in order to "avoid imposing a requirement that is unduly economically burdensome." 47 U.S.C. § 251(f)(2)(A)(ii).9

Third, requiring the Companies to implement intraLATA toll dialing parity without having completed their carrier access billing process may result in lost revenues that ultimately, would be borne by the Companies' respective customers, who are, by definition, "users of telecommunications services." Id. It would be economically wasteful for the Companies' respective customers, through the rates they are charged, to bear this additional expense in the absence of the Companies' Plan being approved by the TRA. Accordingly, a grant of this Petition is necessary in order to avoid a "significant adverse economic impact on the users of telecommunications services generally." 47 U.S.C. § 251(f)(2)(A)(i).

The anticipated brief delay in the provision of intraLATA toll dialing parity within the Companies' respective service areas, therefore, is clearly of minor impact when compared to the costs to the Companies in implementing intraLATA toll dialing parity without a billing system in place. Accordingly, a grant of the modification requested will serve the public interest, convenience and necessity, 47 U.S.C. § 251(f)(2)(B), by allowing the Companies to ensure the provision of intraLATA toll dialing parity in a reasonably efficient manner which, in turn, will benefit their respective subscribers.

In addition, issues related to the level of recovery by each Company from the current provision of intraLATA access may arise. If such issues do arise, an undue economic burden may be imposed upon a Company, thereby affecting the September 22, 1999 implementation date. If necessary, the Company will report to the TRA regarding this issue.

For the reasons stated above, the Companies respectfully submit that they have demonstrated compliance with the requirements of Section 251(f)(2) of the Act. Accordingly, the Companies request that the TRA grant a modification of the FCC's requirement that the Companies' respective Plans must be implemented within 30 days of the TRA's approval, thereby allowing the Companies to implement their Plans on September 22, 1999.

IV. Modification of the IntraLATA Toll "Default" Carrier Provision is Warranted

Similarly, the Companies request that the TRA grant a modification of the FCC's requirement that the Companies may not "default" existing customers to their current "1+" intraLATA toll provider. See 47 C.F.R. § 51.209(c). Modification of this requirement would "avoid a significant adverse economic impact on users of telecommunications services generally," 47 U.S.C. § 251(f)(2)(A)(i), by ensuring that the Companies affected customers can, in fact, continue on an uninterrupted basis their current ability to make "1+" intraLATA toll calls, and to generate the economic benefits associated with such calls. The public interest, convenience and necessity would be furthered by this modification. See 47 U.S.C. § 251(f)(2)(B). By granting this modification, the Commission can minimize the confusion and inconvenience that will undoubtedly be experienced by the affected customers as they learn that, if they fail to make an affirmative selection, they now must dial more digits in order to make intraLATA toll calls. This confusion and inconvenience, however, can be avoided by the TRA granting this requested modification.

The Companies note that this aspect of intraLATA toll dialing parity is subject to requests for reconsideration pending before the FCC. See Dialing Parity Order at para. 6, n.22. If the FCC revises its rules in a manner consistent with the Plan, the Companies will notify the TRA of this fact.

The Companies respectfully submit that they have also demonstrated compliance with the requirements of Section 251(f)(2) of the Act with respect to the need for a modification of the FCC's failure to permit an intraLATA "default" carrier option. Accordingly, the Companies request that the TRA permit the Companies to default existing customers to the current "1+" intraLATA toll provider until such time as that customer affirmatively selects its intraLATA toll provider.

V. Suspension of the Requirements to Offer IntraLATA Toll Dialing Parity Until the TRA Acts Upon this Petition is Warranted and will Serve the Public Interest

Finally, the Companies submit that, in light of the facts and circumstances surrounding the FCC's intraLATA toll dialing parity implementation deadlines, the Companies' need for coordination activities with IXCs, the potential for unnecessary and wasteful loss of revenue, and, most importantly, the customer confusion and inconvenience that may be experienced if a premature implementation of the Plan is required, the TRA should suspend the Companies' obligation to provide intraLATA toll dialing parity until such time as the TRA acts upon the instant Petition. The authority of the TRA to provide this relief is clear -- "[p]ending such action, the State commission may suspend enforcement of the requirement or requirements to which the petition applies with respect to the petitioning carrier or carriers." 47 U.S.C. § 251(f)(2). No carrier will be harmed by this action in that, as demonstrated herein, the request of the Companies would result in implementing intraLATA toll dialing parity in a technically and economically feasible manner. Thus, the TRA suspending the Companies' obligations to provide intraLATA toll dialing parity would clearly serve the public interest.

VI. <u>Conclusion</u>

For the reasons stated herein, the Companies respectfully submit that, pursuant to 47 U.S.C. § 251(f)(2), the Companies have demonstrated the need for the modification of the FCC's requirements to provide intraLATA toll dialing parity requested herein. Moreover, the Companies respectfully submit that the public interest would be served by the TRA suspending the Companies' obligation to provide intraLATA toll dialing parity until such time as it acts upon this Petition. Accordingly, the Companies, individually and collectively, respectfully request the TRA, pursuant to its authority under 47 U.S.C. § 251(f)(2), to grant the modifications as requested herein in order that the Companies' respective Plans for the provision of intraLATA toll dialing parity may be implemented as filed, and to enter an Order approving the Plan effective September 22, 1999.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true and exact copy of the within and foregoing petition on behalf of Yorkville Telephone Cooperative, Inc. via United States Mail, first class postage prepaid, and properly addressed to the following:

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This day of April, 1999.

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